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In the
Supreme Court of the United States

OCTOBER TERM, 1968

CORN PRODUCTS COMPANY,
Petitioner,

vs.

BAXTER LABORATORIES, INC.,
Respondent.

REPLY BRIEF IN SUPPORT OF PETITION FOR A WRIT OF CERTIORARI

C. FREDERICK LEYDIG
One No. LaSalle Street
Chicago, Illinois 60602
Attorney for Petitioner

Of Counsel:
JOHN A. DIENNER
BROWN, JACKSON, BOETTCHER & DIENNER
RICHARD R. WOLFE
JARRETT ROSS CLARK
WOLFE, HUBBARD, VOIT & OSANN

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INTRODUCTION

This Court should make it clear that the rule in *Beidler* v. *United States,* 253 U.S. 447 (1920), applies equally to chemical cases and should put a stop to the eroding disregard of Rule 52(a) by Courts of Appeal. Respondent's Brief emphasizes the need which exists for guidance to the Courts of Appeal on both issues.

The issues here are of law. It is, therefore, meaningless and obfuscatory at this stage to examine the evidence at trial to which Respondent chose to devote the majority of its brief. There is, indeed, no purpose whatever to be served in attempting, as does Respondent, to support the "findings" of the Court of Appeals. The trial court held

the patent invalid, applying the principle of *Beidler* v. *United States*, 253 U.S. 447 (1920). And the Court of Appeals reversed without even considering the critical findings or their legal effect. Absent the Court of Appeals holding those crucial findings clearly erroneous, it had no choice but to affirm the trial court under the law of *Beidler*.

Respondent tries to avoid the thrust of Beidler by rehashing the evidence. But, it avails it nothing under either Rule 52(a) or *Beidler*.

Lest it be forgotten—after Respondent's effort to draw the Court's attention away from the questions before it—we are dealing here with a process for making an old material by an old chemical reaction which is characterized by a single, purportedly novel feature: the use of a special enzyme. (Petitioner's Statement pages 7-8) And the trial court found explicitly that the patent failed to teach those skilled in the art how to produce that enzyme (Appendix p. 29a-30a)

I.

THE FACTS SHOW ACHIEVEMENT OF A PROPER AND USEFUL PROCESS ONLY AFTER YEARS OF RESEARCH FOLLOWING ISSUANCE OF THE WALLERSTEIN PATENT.

Respondent can point to no one who could achieve the objective of the patent, namely, an enzyme process as good as the acid process prior to petitioner's adoption of an enzymatic process which came after years of experimentation following issuance of the patent. What it calls "Petitioner's Duplication" on page 4 of Respondent's Brief, are 1964 results using knowledge as of 1964 (PA 327). That knowledge was gained in the 14 years following issuance of the Wallerstein patent, including two of petitioner's subsequent inventions. (PA 327, 329).

Respondent points to no testimonial record to support the argument that its special enzyme preparation or one comparable to it was known to those skilled in the art when Wallerstein filed his application in 1947. Indeed, there is no such testimony. Its attack on the qualifications of one of the witnesses on the issue (Its Brief pp. 4-5) and its reliance on his agreement that he could have found a suitable enzyme in 1966 (PA 584-5) do not raise a conflict with the findings of the trial court. It makes no reference to any document giving instructions or identification of such an enzyme as of 1947 or even 1950 when the patent issued.

Respondent suggests (Its Brief p. 6) that one of petitioner's engineers knew how to produce crystalline dextrose by an enzymatic process as early as 1951. This is not a fact. Its reference is to a letter (PE 5) in 1951 expressing a hoped for process, which process became a reality only after two inventions by petitioner's own researchers some years later.

The "specific organism" to which Respondent alludes (Its Brief p. 6) is anything but. Respondent concedes that the patent does not disclose a specific enzyme (Its Brief p. 12). The term *Aspergillus* denotes, as noted at PE 109, a "group" which comprises hundreds of different strains of micro-organisms. (PA 559-60) In 1960, petitioner's researchers, by irradiation and transmutation of one such micro-organism found in the soil of Louisiana, found a strain that was useful to produce an advance in the technology of starch to dextrose conversion. (PExh. 186-191)

Purification of an enzyme, on which Respondent places emphasis, when done by the "classical methods" referred to at pages 7 and 11 of its Brief, was not the answer. The testimony cited (PA 394) describes standard steps *plus* the inventions of Petitioner's patents Nos. 3,012,944 and

3,042,584. "Classical methods" without the subsequent inventions were insufficient.

The patentee Wallerstein, as the trial court found, gave neither the "degrees of declination" nor the "hours and minutes of right ascension" required by the astronomer in *Loom Co.* v. *Higgins,* 105 U.S. 580, 585 (1881), quoted at page 5 of Respondent's Brief. But the Court of Appeals disregarded that finding as well as the law of *Beidler* v. *United States,* 253 U.S. 447 (1920) which requires a disclosure sufficient to achieve a proper and useful advance in the art.

II.

THE RULE OF BEIDLER v. UNITED STATES APPLIES TO CHEMICAL CASES AND TO THE ADVANCE CLAIMED TO HAVE BEEN MADE.

Respondent begins Part II of its brief (p. 8) with the remarkable statement:

> "The divergence of views between the District Court and the Court of Appeals was not as to basic facts."

We agree completely. Certainly, if there was a divergence of views on the factual finding of inadequacy of disclosure, it is not reflected in the Court of Appeals' decision. And that is precisely the point! The Court of Appeals was powerless under *Beidler* v. *United States,* supra, and under 35 US.C. 112 to hold the patent valid without a "divergence of views" between it and the trial court on the facts of that crucial issue.

Respondent concedes that the District Court correctly found that the information, including the Wallerstein patent would not in 1960 "have resulted in the economic commercial production of crystalline dextrose" if the Petitioner's researchers had not made two independent inventions. (Its Brief p. 8)

Respondent argues that any minimal ability to convert starch to crystalline dextrose was enough. That's not enough in this case because that was old with both enzymes and acid catalysis and the product was old. The only basis for patentability was an improvement in the process. The argument would have some application if the patentee were the first to use an enzyme, but as the Court of Appeals correctly noted:

> "The possibility of using an enzyme preparation to hydrolyze starch to dextrose was known as early as 1927. The *difficulty* encountered was to effect such a hydrolysis of starch on an *economical commercial* basis." (Appendix 4a)*

Respondent does not contest this statement, but argues that both it and the trial court's findings of fact are immaterial. The issue is thus drawn: Under 35 U.S.C. 112, must a patent contain a disclosure adequate to achieve that result which is both stated in the patent as its object and found to be the advance over the state of the art.

The question presented is not answered by *Hildreth* v. *Mastoras,* 257 U.S. 27 (1921), cited by Respondent at page 9. In that case and the other cases referred to in the quotation, the patent disclosure was acknowledged to describe a workable, mechanical means of producing the *new and different* mechanism and of achieving the *new* result. In each case, adequate directions were given for at least one way of accomplishing the *new* operation or result. Whether that one described way could thereafter be improved is premised on the existence of the original workable description. The ability to achieve an improvement on the new action or result is a different question, indeed. Here the patent was purportedly granted for an improvement over

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* Emphasis added unless otherwise stated.

the acid process. Only after its own two inventions was petitioner able in 1960 to substitute enzyme for acid.

Respondent's sole argument in answer to the issue which is posed is its contention that a disclosure of a "k" value greater than one is enough. The basic findings of the Trial Court, which Respondent claims are not in dispute, are to the contrary. A mere definition of a "k" value for an enzyme preparation without disclosing a single source or way to obtain that enzyme is not enough. (Findings quoted in Petitioner's Statement at pages 9-10).

Irrespective of the list of subsidiary objects recited at the top of page 10 of Respondent's Brief, the advance or "substantial change" in the art was the discovery by Petitioner, not the patentee, of a suitable enzyme. As the Court of Appeals recognized:

> "Apparently the only reason defendant did not earlier change from acid hydrolysis was the cost involved and the *difficulty in obtaining the enzyme needed.*" (Appendix 9a)

The failure of the Court of Appeals to give legal effect to the lack of a suitable enzyme is a clear disregard of the Rule of *Biedler* v. *U.S.*, 253 U.S. 447 (1920) and of the findings of the trial court.

Further, the findings of the Trial Court and the record establish that a "k" greater than one was not the answer. To accomplish the stated objects of the invention to the extent that they were new, two inventions by Petitioner's researchers were required. Respondent concedes this in the openings pages of its Brief, in pointing out at pages 3 and 4 that as late as 1963 or 1964 the only known way to achieve results comparable to those set out in the Wallerstein patent was by the use of an enzyme derived and treated by the methods of Petitioner's subsequent patents.

Respondent does not support its attempted justification of the holding of the Court of Appeals by its reference to Petitioner's work in 1954, four years after the Wallerstein patent issued. (Its Brief p. 10). The Petitioner had been working on enzymes for four or five years prior to the time the quoted laboratory report was rendered. (PA 312).

The Trial Court meant exactly what it said in the portion of its opinion and finding quoted by Respondent, that:

> "I am convinced from the testimony at the trial that this description of the 'k' value of the enzyme preparation is not described so as to provide one skilled in the art 'full, clear, concise and exact' directions as to *how to make an enzyme preparation with the potency needed for the successful practice of the process Wallerstein attempted to patent.*" (Appendix p. 29a-30a).

CONCLUSION

Under *Beidler* v. *United States,* Respondent's failure to disclose how to produce the special enzyme renders the patent invalid. Since the trial court explicitly found the patent to have failed in that vital respect, the holding of patent validity by the Court of Appeals without consideration of such findings necessarily had to be in direct conflict with the *Beidler* rule or in total disregard of Rule 52(a). On either score, grant of certiorari is essential to rectify the error.

Respectfully submitted,

C. FREDERICK LEYDIG
One N. LaSalle Street
Chicago, Illinois 60602
Attorney for Petitioner

Of Counsel:

JOHN A. DIENNER
BROWN, JACKSON, BOETTCHER
& DIENNER

RICHARD R. WOLFE
JARRETT ROSS CLARK
WOLFE, HUBBARD, VOIT & OSANN